Questions and Answers
Sponsor Oversight and Training

I. Sponsor Oversight

Edit Checks

Question 1. Once a legitimate reason is documented for a facility to submit a block claim, does the legitimate reason have to be re-documented each year?

Answer: Yes. The sponsor’s determination that a legitimate cause exists for block claiming by the facility must be established and documented in the facility’s case file for each annual review period.

Question 2. Can a sponsor employ an edit check that is more restrictive than the minimum edit checks required by the regulations?

Answer: Yes. However, the sponsor would always have to ensure that, whatever edit checks they employ, they include the minimum requirements for edit checks set forth in Policy Alert CACFP-ADC 2005-12, Implementation of Meal Edit Checks.

Question 3. Does “15 consecutive days” refer to calendar or operating days?

Answer: The term “consecutive days” refers to operating days. If a facility is providing care every day of the week, a block claim could occur in just over two weeks of claiming the same number of meals for a meal type (e.g., breakfasts). However, if a facility operates 5 days a week, Monday through Friday, the same block claiming pattern would be established at the end of the third week.

Question 4. Must the “15 consecutive days” occur in one claiming month to constitute a “block claim,” or must sponsors track a block claim across two months?

Answer: The definition of a block claim identifies a block claim as the same number of meals claimed per meal type for a 15-day period within the claiming period (emphasis added). In most cases, a claiming period will coincide with a calendar month.

Question 5. If a participant leaves on day 5 of a 15-day period, and another participant comes in, is it still a block claim?

Answer: Yes. The edit check identifies the same number of meals per meal type served over a consecutive 15-day period in a claiming period. The meals do not have to be tracked to each participant. The identification of a block claim does not automatically signal a false claim. Rather the edit check functions as a “red flag” to alert the sponsor to a possible problem with the claim that requires sponsor follow-up.
Question 6. Since the definition of a block claim is based on the total number of each meal type served, can SNP “refine” that definition in situations where the sponsor’s claiming system allows them to track the meals received by each participant?

Answer: We must not “modify” the regulations definition of what constitutes a block claim, and the unannounced follow-up review would still need to be conducted, even if the sponsor’s claiming system allows them to discern that different participants received the meals on different days. However, if the sponsor’s claiming system allows them to track the meals received by each participant each day, that information can be a part of the sponsor’s documentation of the reason that facility submitted a block claim in a particular month.

Question 7. How will an unannounced follow-up review help prevent block claiming?

Answer: The unannounced follow-up review can help by allowing the sponsor to:

- compare the number of meals served on the day of the review to the number of meals typically being claimed by the facility; and
- assess whether there is a legitimate reason for the block-claiming pattern that was detected.

Question 8. If a sponsor does not have an automated claim system, how can it check for block claims?

Answer: If the sponsor does not have an automated system, the sponsor’s staff will have to manually check the claims submitted by facilities each month.

Question 9. Does a sponsor with a manual system need to apply each of these three edit checks to every center’s meal count? Our sponsors with manual systems check 25 percent of the claims each month, and then more if at least 2 percent are in error.

Answer: Yes. The edit checks specified must be applied to each facility’s claim each month. Checking a percentage of the sponsor’s facilities is not an acceptable method of complying with these requirements.

Question 10. Should sponsors inform centers of the block claim requirements? If they do, it seems likely that centers that are submitting fraudulent claims will simply avoid triggering the block claim edit check.

Answer: Each sponsoring organization can make this determination. It is likely that centers will find out about the edit checks anyway. Furthermore, if a sponsor detects a suspicious claiming pattern and suspects that a center is submitting false claims, even if the number of consecutive days is less than 15, the sponsor should schedule an unannounced review as soon as possible.
Question 11. Do sponsors’ edit checks have to be able to separately track different types of snacks?

Answer: Sponsoring organizations are required to have edit checks that differentiate between types of snacks. If they did not, it would be difficult to tell whether a facility was claiming for three meals (e.g., breakfast, lunch and PM snack) or four meals (e.g., breakfast, lunch, and both snacks). Therefore, sponsor edit check systems should be designed to capture information on each meal type, and therefore must be capable of distinguishing between AM and PM snacks.

Question 12. In examining the reasons for a block claim, if the center states that they always care for sick participants, how should the sponsor document the accuracy of their statement?

Answer: The sponsor will be able to assess this statement when it conducts the unannounced follow-up review, and observes the number of participants in care. In addition, even if the sponsor determines that the center has a legitimate reason for the block claim, the subsequent unannounced review will allow the sponsor to observe the number of participants present and further confirm, or refute, the center’s statement.

Question 13. If sponsors only collect the aggregate monthly number of meals served by their facilities, they can’t check for a block claim, except when they are conducting a review.

Answer: All centers and facilities have been required (since long before the second interim rule) to keep daily meal counts, by meal type. In order to implement the block claim edit check, the sponsor must collect these daily meal counts, by meal type, for each facility they sponsor. The delayed implementation of this provision (the rule was published on September 1, 2004, but the edit check provisions took effect on October 1, 2005) was designed to give sponsors time to make any changes necessary to bring their payment and edit check systems into compliance with the new requirements.

Five-Day Reconciliation

Question 14. Are adult day care sponsors exempted from conducting a five-day reconciliation?

Answer: No. Although the word “children” is used in describing the five-day reconciliation requirement, this requirement applies to reviews conducted by sponsors of child or adult day care facilities.
Question 15. In order for an onsite review to count as one of the three required annual reviews, must a five-day reconciliation be performed? What if the review is conducted between the 1st and 5th of the month, and the center has mailed all of its prior month’s documentation to the sponsor?

Answer: Yes. Sponsors must conduct a five-day reconciliation of enrollment or attendance records to meal counts as part of the onsite review. When scheduling onsite reviews, the sponsor should consider factors such as the availability of information needed for the review.

Question 16. In a five-day reconciliation, what constitutes a discrepancy? Enrollment, attendance, and meal counts will rarely be the same.

Answer: When conducting a five-day reconciliation, the monitor’s task is to determine whether the meal counts were accurate when compared to the daily or shift attendance for all meal types for the selected five-day period. Enrollment data serves as a check on the attendance data. If attendance exceeds enrollment, for any day or for any shift (if shift care is provided), the monitor must determine the source of the error (e.g., inaccurate attendance records, missing enrollment forms) before the five-day reconciliation can be completed, and the nature of the required corrective action can be determined.

Review Elements (and Other Questions Related to Sponsor Reviews)

Question 17. Do all three reviews of each facility conducted annually by sponsors have to be conducted onsite?

Answer: Yes. Even though monitors may review many records in the sponsor’s office prior to the review, an onsite review must still be conducted.

Question 18. During a meal service observation, is a sponsor monitor required to be in the facility for the entire meal service period?

Answer: Not necessarily. If the monitor has completed all of the necessary review elements, the monitor may leave. If the monitor has come to review a facility at a scheduled meal time and no one is present, the monitor can either wait for the entire meal service to verify that the center is missing the meal service, or they can conduct a review at another nearby facility and return before the end of the meal service, either to conduct the review or to verify that the center missed the meal service.

Question 19. May sponsors claim meal types (e.g., a supper or a post-supper snack) that they do not intend to monitor?

Answer: No. Although it would be impractical for the sponsor to review each meal service at each facility every year, sponsors must provide reasonable oversight of each meal service claimed by their facilities.
**Review Cycle for Sponsored Facilities (and use of Review Averaging)**

**Question 20.** If the sponsor is notified by the State licensing agency of a problem at one of its facilities, will the subsequent review count as one of the three required reviews?

Answer: Yes. It will count as long as it covers all of the required review elements.

**II. Training and Other Operational Issues**

**Facility Training**

**Question 21.** Please clarify the term “annual training.” Does it mean that training must be given within a 12-month period?

Answer: No. Annual training may be scheduled at slightly different times each year. The basic requirement is that, during each program year (PY), the facility’s key staff must be trained. For example, a sponsor that conducts training in September 2006 and April 2007 is complying with the requirements because training was held during PY 2006 and PY 2007.

**Question 22.** Please clarify: do the new regulations cover only facility training, or are independent centers and sponsors also required to attend training?

Answer: Facilities, independent centers and sponsors are all required to attend training. SNP will provide training and technical assistance to independent centers and sponsors. Facility-level training requirements are addressed in Policy Alert CACFP-ADC 2006-18, *New Training Requirements for Sponsoring Organizations.*